



Carlos Alvarez, Mayor

Small Business Development
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May 20, 2010

Attention: All Construction Contractors

**Subject: COMMUNITY SMALL BUSINESS ENTERPRISE (CSBE) PROGRAM -
POLICY CONCERNING CSBES PROVIDING TRUCKING AND
HAULING SERVICES TO MEET CSBE MEASURES**

Pursuant to the Community Small Business Enterprise (CSBE) Program, §10-33.02 of the Code of Miami-Dade County, a subcontractor goal is a portion of a prime contract value stated as a percentage to be subcontracted to a CSBE to perform a commercially useful function. Commercially useful function means a contractual responsibility for the execution of a distinct element of the work of a contract by a business enterprise and the carrying out of the contractual responsibilities be actually performing, managing, and supervising the work involved. Acting as a broker is not a commercially useful function.

Effective May 19, 2010, in determining whether a CSBE is performing a commercially useful function when performing a hauling scope of work, the following must be considered:

1. The CSBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting CSBE goals.
2. The CSBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
3. The CSBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.
4. The CSBE may lease trucks from another CSBE firm, including an owner-operator who is certified as a CSBE. The CSBE who leases trucks from another CSBE receives credit for the total value of the transportation services the lessee CSBE provides on the contract.
5. The CSBE may also lease trucks from a non-CSBE firm, including from an owner-operator. The CSBE who leases trucks from a non-CSBE is entitled to credit for the total value of transportation services provided by non-CSBE lessees not to exceed the value of transportation services provided by CSBE-owned trucks on the contract. Additional participation by non-CSBE lessees receives credit only for the fee or commission it receives as a result of the lease arrangement. If a recipient chooses this approach, it must obtain written consent from the appropriate Department Operating Administration.

Example): CSBE Firm X uses two of its own trucks on a contract. It leases two trucks from CSBE Firm Y and six trucks from non-CSBE Firm Z. CSBE credit would be awarded for the total value of transportation services provided by Firm X and Firm Y, and may also be awarded for the total value of transportation services provided by four of the six trucks provided by Firm Z. In all, full credit would be allowed for the participation of eight trucks. With respect to the other two trucks provided by Firm Z, CSBE credit could be awarded only for the fees or commissions pertaining to those trucks Firm X receives as a result of the lease with Firm Z.

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Trucking and Hauling Services to meet CSBE measures
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For the purposes of this policy, a lease must indicate that the CSBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the CSBE, so long as the lease gives the CSBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the CSBE.

Should you have any questions concerning this new policy, please contact our department at (305) 375-3111.

Sincerely,

A handwritten signature in black ink, appearing to be "Penelope Townsley", written over a large, loopy "O" that starts the signature.

Penelope Townsley
Director

c: Capital Departments